

TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

0 1 — 0 3 3

2. STATE:

Arkansas

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

February 1, 2002

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 440.130(d)

7. FEDERAL BUDGET IMPACT:

a. FFY 2002 \$ 820,656.00 594,125.00*

b. FFY 2003 \$ 1,230,922.00 914,329.00*

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Please see attached listing

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):

Please see attached listing

10. SUBJECT OF AMENDMENT:

The Arkansas Title XIX State Plan has been amended to add coverage and reimbursement for Developmental Rehabilitation Services.

11. GOVERNOR'S REVIEW (Check One):

- ☒ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☐ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Ray Hanley

14. TITLE:

Director, Division of Medical Services

15. DATE SUBMITTED:

November 30, 2001

16. RETURN TO:

Division of Medical Services
P. O. Box 1437
Little Rock, AR 72203-1437

Attention: Binnie Alberius
Slot XXXX S295

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

4 DECEMBER 2001

18. DATE APPROVED:

February 11, 2002

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

1 February 2002

20. SIGNATURE OF REGIONAL OFFICIAL:

Sandra Hall

21. TYPED NAME:

for CALVIN G. CLINE

22. TITLE:

ASSOCIATE REGIONAL ADMINISTRATOR
DIV OF MEDICAID AND STATE OPERATIONS

23. REMARKS:

* Pen-and-Ink change per discussion w/ Binnie Alberius on 2-4-02



**DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services**

Calvin G. Cline
Associate Regional Administrator, Medicaid and State Operations

1301 Young Street, Room 827
Dallas, Texas 75202
Phone (214) 767-6301
Fax (214) 767-0270

February 11, 2002

Our Reference: SPA-AR-01-33

Mr. Ray Hanley, Director
Division of Medical Services – Slot 1103
Arkansas Department of Human Services
Post Office Box 1437
Little Rock, Arkansas 72203-1437

Dear Mr. Hanley:

We have enclosed a copy of HCFA-179, Transmittal Number 01-33, dated November 30, 2001. This amendment adds coverage for developmental rehabilitation services, which are medically necessary early intervention services for eligible Medicaid recipients under 3 years of age.

We have approved the amendment for incorporation into the official Arkansas State Plan effective February 1, 2002. If you have any questions, please call Bill Brooks at (214) 767-4461.

Sincerely,

Sandra Hall

for Calvin G. Cline
Associate Regional Administrator
Division of Medicaid and State Operations

Enclosure

cc: Elliott Weisman, CMSO



**ARKANSAS MEDICAID FEDERAL BUDGET IMPACT
FEDERAL PLAN TRANSMITTAL 2001 – 033
DEVELOPMENTAL REHABILITATION PROGRAM**

Effective for dates of service occurring February 1, 2002 and after, the Arkansas Department of Human Services will reimburse medical services provided through the Developmental Rehabilitation Program for the Division of Disabilities Services' (DDS) clients who are Medicaid eligible. For Developmental Testing, the reimbursement rate will be the same as Medicaid currently reimburses to Child Health Management Services' (CHMS) providers. For Therapeutic Activities, the reimbursement rate will be the same as Medicaid previously reimbursed (became non-payable 10/1/99) to CHMS providers for this same procedure code. Rates are being based on CHMS reimbursable rates because providers of these services may be enrolled in both programs. DDS has provided us with estimated clients served and annual units information. We multiplied the estimated annual units by the reimbursement rates to calculate the budget impact. We estimate no increase in the number of services or reimbursement for FFY 2003.

The complete budget impacts for FFY 2002 (8 months – total cost increase of \$820,656, Federal = \$596,125, State = \$224,531) and FFY 2003 (\$1,230,922, Federal = \$914,329, State = \$316,593) are reflected on attached Schedules I and II.

**ATTACHED LISTING FOR
ARKANSAS STATE PLAN
TRANSMITTAL #2001-033**

8. Number of the Plan <u>Section or Attachment</u>	9. Number of the Superseded Plan <u>Section or Attachment</u>
Attachment 3.1-A, Page 1z	None, New Page
Attachment 3.1-A, Page 1zz	None, New Page
Attachment 3.1-B, Page 2x	Attachment 3.1-B, Page 2x Approved 10-29-99, TN 98-20
Attachment 3.1-B, Page 2xx	None, New Page
Attachment 3.1-B, Page 2xxx	Attachment 3.1-B, Page 2x, Items 4c. and 5a., Approved 10-29-99, TN 98-09
Attachment 3.1-B, Page 2xxxx	Attachment 3.1-B, Page 2xx, Items 5a and 5b, Approved 10-29-99, TN 98-20
Attachment 3.1-B, Page 2y	Attachment 3.1-B, Page 2xxx, Item 5b Approved 10-29-99, TN 98-20
Attachment 4.19-B, Page 1uuuu	None, New Page

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE ARKANSAS

ATTACHMENT 3.1-A
Page 1z

AMOUNT, DURATION AND SCOPE OF
SERVICES PROVIDED

February 1, 2002

CATEGORICALLY NEEDY

4b. Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age, and Treatment of Conditions Found. (Continued)

23. Developmental Rehabilitation Services

Developmental Rehabilitation Services are early intervention services for eligible Medicaid recipients under three years of age that have been identified as medically necessary and recommended by a licensed physician or other licensed practitioner of the healing arts, within the scope of his or her practice under State law. This program covers two basic services:

1. Developmental Testing; extended (includes assessment of motor, language, social, adaptive and/or cognitive functioning by standardized developmental instruments, eg, Bayley Scales of Infant Development) with interpretation and report, per hour. (Limited to four (4) one hour units per calendar year.)

This service provides a diagnostic process necessary for the purpose of determining a child's initial and continuing eligibility, developmental status and need for medically necessary developmental services. This includes:

- a. The assessment of motor, language, adaptive and/or cognitive functioning by standardized developmental instruments such as Bayley Scales of Infant Development, Early Learning Accomplishment Profile, Brigance Test of Development, etc. Specific activities include the administration of a minimum of two test instruments, interpretation of test scores with informed clinical opinion, and provision of a written narrative report.
 - b. Developmental functioning in each of these areas describes the level on which the child is currently functioning as compared to other children of the same chronological age, and the skills to be remediated.
 - c. Results will be included in the development of the IFSP. Developmental testing does not include medical, speech therapy, occupational therapy, physical therapy, audiological or vision evaluations.
2. Therapeutic Activities; direct (one-on-one) patient contact by the provider (use of dynamic activities to improve functional performance), each 15 minutes. (Limited to four (4) 15-minute units per week.)
 - a. This service is provided to the child and the child's parent/family to promote acquisition of skills in developmental areas (cognitive, motor, adaptive, communication). These rehabilitative services include:
 - 1) the planned interaction of personnel, materials, time and space, to provide direct, medically necessary therapeutic intervention to the child;
 - 2) provision of information to the family therapeutic curriculum planning;
 - 3) provision of information to the family related to establishing the skill level and enhancing the development of the child.

A	
STATE	Arkansas
DATE REC'D	12-4-01
DATE APP'D	02-11-02
DATE EFF	02-1-02
HCFA 179	AR 01-33

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE ARKANSAS

ATTACHMENT 3.1-A
Page 1zz

AMOUNT, DURATION AND SCOPE OF
SERVICES PROVIDED

February 1, 2002

CATEGORICALLY NEEDY

4b. Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age, and Treatment of Conditions Found. (Continued)

23. Developmental Rehabilitation Services (continued)

2. Therapeutic Activities (continued)

- b. Therapeutic intervention will focus on developmentally appropriate individualized skills training and support to foster, promote and enhance child engagement in daily activities, functional independence and social interaction.
- c. Assistance will be provided to family/caregivers in the identification and utilization of opportunities to incorporate therapeutic intervention strategies in daily life activities that are natural and normal for the child and family.
- d. Child progress and mastery of functional skills to reduce or overcome limitations resulting from developmental delays will be continuously monitored by the Developmental Therapist.
- e. Therapeutic activities may be provided in an individual session only.

3. A provider of Developmental Testing and Therapeutic Activities must be certified through the Arkansas Department of Human Services, Developmental Disabilities Services as a Developmental Therapist or Developmental Therapy Assistant. Certification requirements are:

- a. A Developmental Therapist is a qualified professional, licensed by the Arkansas Department of Education, who has completed an additional certification requirement of a 24 hour training course and passed a competency based assessment with a minimum score of 80%. Developmental Testing Services must be provided by a Developmental Therapist.
- b. A Developmental Therapy Assistant is a qualified paraprofessional who holds a minimum of a high school diploma and has two years experience working with children with disabilities. The Developmental Therapy Assistant must complete an initial 24 hour training course and pass a competency based assessment with a minimum score of 80%. The Assistant must work under the supervision of the Developmental Therapist and must be supervised 10% of the time spent in direct interaction with the recipient. A Developmental Therapy Assistant may provide only Therapeutic Activities services.

Developmental Rehabilitation Services may be provided in the recipient's home, in the community, or in a clinical setting. These services require prior authorization.

Extension of the benefit limit will be provided if medically necessary.

SUPERSEDES: NONE NEW PAGE

STATE	Arkansas
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HCFA 179	AR 01-33

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE ARKANSAS

ATTACHMENT 3.1-B
Page 2x

AMOUNT, DURATION AND SCOPE OF
SERVICES PROVIDED

Revised: February 1, 2002

MEDICALLY NEEDED

- 4b. Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age, and Treatment of Conditions Found. (Continued)

23. Developmental Rehabilitation Services

Developmental Rehabilitation Services are early intervention services for eligible Medicaid recipients under three years of age that have been identified as medically necessary and recommended by a licensed physician or other licensed practitioner of the healing arts, within the scope of his or her practice under State law. This program covers two basic services:

1. Developmental Testing; extended (includes assessment of motor, language, social, adaptive and/or cognitive functioning by standardized developmental instruments, eg, Bayley Scales of Infant Development) with interpretation and report, per hour. (Limited to four (4) one hour units per calendar year.)

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STATE <u>Arkansas</u>	
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DATE EFF <u>02-1-02</u>	
HCFA 179 <u>AR 01-33</u>	

This service provides a diagnostic process necessary for the purpose of determining a child's initial and continuing eligibility, developmental status and need for medically necessary developmental services. This includes:

- a. The assessment of motor, language, adaptive and/or cognitive functioning by standardized developmental instruments such as Bayley Scales of Infant Development, Early Learning Accomplishment Profile, Brigance Test of Development, etc. Specific activities include the administration of a minimum of two test instruments, interpretation of test scores with informed clinical opinion, and provision of a written narrative report.
 - b. Developmental functioning in each of these areas describes the level on which the child is currently functioning as compared to other children of the same chronological age, and the skills to be remediated.
 - c. Results will be included in the development of the IFSP. Developmental testing does not include medical, speech therapy, occupational therapy, physical therapy, audiological or vision evaluations.
2. Therapeutic Activities; direct (one-on-one) patient contact by the provider (use of dynamic activities to improve functional performance), each 15 minutes. (Limited to four (4) 15-minute units per week.)
- a. This service is provided to the child and the child's parent/family to promote acquisition of skills in developmental areas (cognitive, motor, adaptive, communication). These rehabilitative services include:
 - 1) the planned interaction of personnel, materials, time and space, to provide direct, medically necessary therapeutic intervention to the child;
 - 2) provision of information to the family therapeutic curriculum planning;
 - 3) provision of information to the family related to establishing the skill level and enhancing the development of the child.

SUPERSEDES TN- AR 98-20

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE ARKANSAS

ATTACHMENT 3.1-B
Page 2xx

AMOUNT, DURATION AND SCOPE OF
SERVICES PROVIDED

Revised: February 1, 2002

MEDICALLY NEEDED

4b. Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age, and Treatment of Conditions Found. (Continued)

23. **Developmental Rehabilitation Services (continued)**

23. **Developmental Rehabilitation Services (continued)**

2. **Therapeutic Activities (continued)**

- b. **Therapeutic intervention will focus on developmentally appropriate individualized skills training and support to foster, promote and enhance child engagement in daily activities, functional independence and social interaction.**
- c. **Assistance will be provided to family/caregivers in the identification and utilization of opportunities to incorporate therapeutic intervention strategies in daily life activities that are natural and normal for the child and family.**
- d. **Child progress and mastery of functional skills to reduce or overcome limitations resulting from developmental delays will be continuously monitored by the Developmental Therapist.**
- e. **Therapeutic activities may be provided in an individual session only.**

3. **A provider of Developmental Testing and Therapeutic Activities must be certified through the Arkansas Department of Human Services, Developmental Disabilities Services as a Developmental Therapist or Developmental Therapy Assistant. Certification requirements are:**

- a. **A Developmental Therapist is a qualified professional, licensed by the Arkansas Department of Education, who has completed an additional certification requirement of a 24 hour training course and passed a competency based assessment with a minimum score of 80%. Developmental Testing Services must be provided by a Developmental Therapist.**
- b. **A Developmental Therapy Assistant is a qualified paraprofessional who holds a minimum of a high school diploma and has two years experience working with children with disabilities. The Developmental Therapy Assistant must complete an initial 24 hour training course and pass a competency based assessment with a minimum score of 80%. The Assistant must work under the supervision of the Developmental Therapist and must be supervised 10% of the time spent in direct interaction with the recipient. A Developmental Therapy Assistant may provide only Therapeutic Activities services.**

Developmental Rehabilitation Services may be provided in the recipient's home, in the community, or in a clinical setting. These services require prior authorization.

Extension of the benefit limit will be provided if medically necessary.

SUPERSEDES NONE NEW PAGE

STATE	ARKANSAS
DATE REC'D	12-4-01
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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE ARKANSAS

ATTACHMENT 3.1-B
Page 2xxx

AMOUNT, DURATION AND SCOPE OF
SERVICES PROVIDED

Revised: February 1, 2002

MEDICALLY NEEDY

4.c. Family Planning Services

- (1) Comprehensive family planning services are limited to an original examination and up to three follow-up visits annually. This limit is based on the state fiscal year (July 1 through June 30).

5. a. Physicians' services, whether furnished in the office, the patient's home, a hospital, a skilled nursing facility, or elsewhere

- (1) Physicians' services in a physician's office, patient's home or nursing home are limited to twelve (12) visits per State Fiscal Year (July 1 through June 30) for recipients age 21 and older.

The benefit limit will be considered in conjunction with the benefit limit established for rural health clinic services, medical services furnished by a dentist, office medical services furnished by an optometrist and certified nurse midwife services. Recipients will be allowed twelve (12) visits per State Fiscal Year for physicians' services, medical services provided by a dentist, rural health clinic services, office medical services furnished by an optometrist, certified nurse midwife services or a combination of the five. For physicians' services, medical services provided by a dentist, office medical services furnished by an optometrist, certified nurse midwife services or rural health clinic core services beyond the 12 visit limit, extensions will be provided if medically necessary. Recipients under age 21 in the Child Health Services (EPSDT) Program are not benefit limited.

The extension of benefits described above will be handled in the following manner:

The following diagnoses are considered to be categorically medically necessary and do not require prior authorization for medical necessity: Malignant neoplasm (code range 140.0 through 208.91); HIV infection (code range 042.0 through 044.9) and renal failure (code range 584.5 through 586). All other diagnoses are subject to prior authorization before benefits can be extended.

- (2) Each attending physician/dentist is limited to billing one day of care for inpatient hospital covered days regardless of the number of hospital visits rendered.

UNRECORDED - TNL AR 98-09

STATE	<u>Arkansas</u>
DATE REC'D	<u>12-4-01</u>
DATE APP'D	<u>02-11-02</u>
DATE EFF	<u>02-01-02</u>
HCFA #79	<u>AR 01-33</u>

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
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STATE ARKANSAS

ATTACHMENT 3.1-B
Page 2xxxx

AMOUNT, DURATION AND SCOPE OF
SERVICES PROVIDED

Revised: February 1, 2002

MEDICALLY NEEDY

5. a. Physicians' services, whether furnished in the office, the patient's home, a hospital, a skilled nursing facility, or elsewhere (Continued)
- (3) Surgical procedures which are generally considered to be elective require prior authorization from the Utilization Review Section.
 - (4) Desensitization injections - Refer to Attachment 3.1-A, Item 4.b. (12).
 - (5) Organ transplants are covered as described in Attachment 3.1-E.
 - (6) Consultations are limited to two (2) per recipient per year in a physician's office, patient's home, hospital or nursing home. This yearly limit is based on the State Fiscal Year (July 1 through June 30). This limit is in addition to the yearly limit described in Item 5.(1). Extensions of the benefit limit will be provided if medically necessary for recipients in the Child Health Services (EPSDT) Program.
 - (7) Effective for dates of service on or after September 15, 1995, interactive consultations (telemedicine) are limited to two (2) per recipient. This yearly limit is based on the State Fiscal Year (July 1 through June 30). Extensions of the benefit limit will be considered for eligible recipients of all ages.
 - (8) Abortions are covered when the life of the mother would be endangered if the fetus were carried to term or for victims of rape or incest. The circumstances must be certified in writing by the woman's attending physician. Prior authorization is required.
5. b. Medical and surgical services furnished by a dentist (in accordance with Section 1905 (a)(5)(B) of the Act).
- Medical services furnished by a dentist are limited to twelve (12) visits per State Fiscal Year (July 1 through June 30) for recipients age 21 and older.

SUPERSTDES TN- AR 98-20

STATE	<u>Arkansas</u>
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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
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ATTACHMENT 3.1-B
Page 2y

AMOUNT, DURATION AND SCOPE OF
SERVICES PROVIDED

February 1, 2002

MEDICALLY NEEDY

5. b. Medical and surgical services furnished by a dentist (in accordance with Section 1905 (a)(5)(B) of the Act).
(continued)

The benefit limit will be considered in conjunction with the benefit limit established for physicians' services, rural health clinic services, office medical services furnished by an optometrist and certified nurse midwife services. Recipients will be allowed twelve (12) visits per State Fiscal Year for medical services furnished by a dentist, physicians' services, rural health clinic services, office medical services furnished by an optometrist, certified nurse midwife services or a combination of the five. For physician services, medical services provided by a dentist, office medical services furnished by an optometrist, certified nurse midwife services or rural health clinic core services beyond the 12 visit limit, extensions will be provided if medically necessary. Recipients under age 21 in the Child Health Services (EPSDT) Program are not benefit limited.

Surgical services furnished by a dentist are not benefit limited.

SUPERSEDES TNL AR 98-20

STATE <u>Arkansas</u>	A
DATE REC'D <u>12-4-01</u>	
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DATE EFF <u>02-01-02</u>	
HCFA 179 <u>AR 01-83</u>	

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE ARKANSAS

ATTACHMENT 4.19-B
Page 1uuuu

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -
OTHER TYPES OF CARE

February 1, 2002

4.b. Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age and Treatment of Conditions Found (Continued)

26. Developmental Rehabilitation Services

Reimbursement is based on the lesser of the amount billed or the Title XIX (Medicaid) maximum charge allowed. The Title XIX maximum for these services is based on the Child Health Management (CHMS) reimbursement methodology.

SUPERSEDES: NONE - NEW PAGE

STATE <u>Arkansas</u>	A
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